All Star Metals LLC March 29, 2004

Docket Clerk - U.S. DOT Dockets Room No. PL-401, Dept. of Transportation 4000 7th St. S.W. Washington, D.C. 20590-0001

Sub: Submission of comments invited under public notice, 9423 Federal Register/Vol.69,No.39/ Feb. 27, 2004/Notices

Ref: (1) Docket No. MARAD 2004-17166, Dept. of Transportation; (2) Draft Environmental Assessment for transfer and disposal of approx. nine obsolete vessels from the JRRF to the Able UK facility located in Teeside, U.K.; (3) Report titled "Transfer of National Defense Reserve Fleet Vessels from the James River Reserve Fleet for disposal at Able UK facilities, Teeside, U.K.- Environmental Assessment", dated Feb. 20,2004, prepared for the MARAD, by the Louis Berger Group, Inc., Washington, D.C.

To whom it may concern:

On behalf of All Star Metals, L.L.C, we would like to submit following comments with reference to above referred matter:

- (1) The said EA was done addressing Environmental Impact on a wide range of issues ranging from Air Quality to Navigation, as evidenced by discussions wide sections 4.1 to 4.13.
- (2) Even though the report can be claimed to be lacking in depth with respect to certain issues, as evidenced by comments already sent in response to this notice and posted for public viewing*, what is more vital, is that he fundamental premises on which the report is based, are <u>flawed</u>, in one crucial aspect as described below. Consequently, any past, current and future actions of MARAD, based on the report, can be, and already have been, subject to disputes, challenges and legal actions.

One of the basic premise, on which the report concluded that there were <u>no other options possible</u> other than no action at all or exporting the vessels in, "as is condition, for disposal, which met the criteria established by the congress wide the amended section 6(c)(1) of the NMHA' (Pub. L. 106-398, §3502(a), 114 Stat. 1654a-490 (2000); [16 United States Code (USC) §5405(c) (1)]; (Pub. L. 106-398, \$3502(b), 114 Stat. 1654a-490 (2000); Section 3502 of the Fiscal Year (FY) 2001 National Defense Authorization Act; and specifically Bob Stump National Defense Authorization Act for Fiscal Year 2003, Pub. **L.** 107-314. It was assumed that it would not be possible for MARAD to meet the deadline of disposal by Sept. 30, 2006, (imposed by congress), without the use of additional vessel disposal facilities abroad. It made further reference to a study of 2001 or earlier, (sect. 1.2, page 6,) that seemed to imply that domestic ship dismantling industry was offering limited cost-effective capacity, which led MARAD to consider awarding the ships for disposal, through a pilot program, to overseas facilities.

However, no mention has been made as to whether, the "so called" cost-effective <u>capacity constraint</u>, is with respect to both the environmental cleaning and ship breaking capacities or not. If an effort is made to ascertain the true status In this regard, we are sure that **no** capacity constraint would be found with respect to the former (environmental cleaning).

We also hold a strong view that, provided the existing facilities in USA are utilized equitably, keeping individual capacities in mind, (i.e. without overloading any one facility), the required capacities for ship dismantling can also be achieved, while meeting the regulatory standards. This is visible in the number of PRDA submissions given by domestic parties.

(*Ref: (1) Comments from Sierra Club, Olivebridge, N.Y. Dt. 3/18/04; (2) Comments from Mr. Kevin McCabe, Chairman, I.S.L., Brownsville, TX, Dt. 3/23/04; and (3) Comments from Mr. Robert Rutkowski, Dt. 3/10/04 & 3/28/04.)

All Star Metals LLC March 29, 2004

Once a fresh look is taken with this perspective, the need to do extensive "EA" for sending obsolete vessels abroad, while still posing an environmental hazard, would not even arise, at the same time leaving MARAD and PRDA free to explore and utilize the ship breaking capacities abroad, if at all needed.

If you have any further questions, please feel free to direct any questions and comments to me at the contact information listed below.

Sincerely,

Nikhil Shah

All Star Metals LLC 101 Box Car Road Brownsville, TX 78521

Tel: 956.838.2110 Fax: 956.838.2190